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VOLUNTEERS FOR YOUTH JUSTICE

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

June 30, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/6/08

Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana

VOLUNTEERS FOR YOUTH JUSTICE

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Marsha O. Millican
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Volunteers for Youth Justice
Shreveport, Louisiana

I have audited the accompanying statement of financial position of Volunteers for Youth Justice (a non-profit organization) as of and for the year ended June 30, 2007. These financial statements are the responsibility of Volunteers for Youth Justice's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Volunteers for Youth Justice as of June 30, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated December 18, 2007 on my consideration of Volunteers for Youth Justice's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of revenue and expenditures - TANF Grant is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Marsha O. Millican

Certified Public Accountant
December 18, 2007

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VOLUNTEERS FOR YOUTH JUSTICE

Statement of Financial Position

June 30, 2007

ASSETS

CURRENT ASSETS

| | |
|---------------------------|---------------|
| Cash and Cash Equivalents | \$ 177,300 |
| Contracts Receivable | <u>62,604</u> |
| Total Current Assets | 239,904 |

PROPERTY AND EQUIPMENT (NET)

22,247

OTHER ASSETS

| | |
|---------------------------------|---------------|
| Assets Restricted for Endowment | 80,239 |
| Deposits | <u>400</u> |
| Total Other Assets | <u>80,639</u> |

| | |
|--------------|--------------------------|
| Total Assets | <u><u>\$ 342,790</u></u> |
|--------------|--------------------------|

LIABILITIES AND NET ASSETS

| | |
|---------------------------------------|---------------|
| Accounts Payable and Accrued Expenses | \$ 9,367 |
| Payroll Taxes Payable | <u>12,463</u> |
| Total Current Liabilities | <u>21,830</u> |

Net Assets:

| | |
|------------------------|---------------|
| Unrestricted | 240,721 |
| Permanently Restricted | <u>80,239</u> |

| | |
|------------------|----------------|
| Total Net Assets | <u>320,960</u> |
|------------------|----------------|

| | |
|----------------------------------|--------------------------|
| Total Liabilities and Net Assets | <u><u>\$ 342,790</u></u> |
|----------------------------------|--------------------------|

The accompanying notes are an integral part of this statement.

VOLUNTEERS FOR YOUTH JUSTICE

Statement of Activities

For the Year Ended June 30, 2007

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Permanently Restricted</u> | <u>Total</u> |
|--|---------------------|-----------------------------------|-----------------------------------|-------------------|
| SUPPORT AND REVENUE: | | | | |
| Support: | | | | |
| Contributions | \$ 57,509 | \$ - | \$ 30,000 | \$ 87,509 |
| Grants | - | 846,034 | - | 846,034 |
| Program service fees | 33,356 | - | - | 33,356 |
| Special events | 45,404 | - | - | 45,404 |
| Miscellaneous | 2,240 | - | 270 | 2,510 |
| Total Support and Revenues | <u>138,509</u> | <u>846,034</u> | <u>30,270</u> | <u>1,014,813</u> |
| Net Assets Released from Restrictions: | | | | |
| Satisfaction of Usage Restrictions | <u>846,034</u> | <u>(846,034)</u> | <u>-</u> | <u>-</u> |
| Total Support and Revenue | <u>984,543</u> | <u>-</u> | <u>30,270</u> | <u>1,014,813</u> |
| EXPENSES | | | | |
| Program Expenses | 956,749 | - | - | 956,749 |
| Management and General | 12,706 | - | - | 12,706 |
| Total Expenses | <u>969,455</u> | <u>-</u> | <u>-</u> | <u>969,455</u> |
| Change in Net Assets | 15,088 | - | 30,270 | 45,358 |
| Other Expenses | - | - | - | - |
| Net assets, beginning of year | <u>225,633</u> | <u>-</u> | <u>49,969</u> | <u>275,602</u> |
| Net assets, end of year | <u>\$ 240,721</u> | <u>\$ -</u> | <u>\$ 80,239</u> | <u>\$ 320,960</u> |

The accompanying notes are an integral part of this statement.

VOLUNTEERS FOR YOUTH JUSTICE

Statement of Cash Flows

For the Year Ended June 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:

| | |
|--|-------------------|
| Change in net assets | \$ 45,358 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 10,547 |
| Changes in assets and liabilities: | |
| Increase in grants receivable | (8,947) |
| Decrease in other assets | 100 |
| Decrease in deferred revenue | (15,000) |
| Increase in accounts payable and payroll taxes | 8,480 |
| Net cash provided by operating activities | <u>40,538</u> |
| CASH FLOWS USED BY INVESTING ACTIVITIES: | |
| Purchase of fixed assets | <u>(6,297)</u> |
| Net cash provided by investing activities | <u>(6,297)</u> |
| Net increase in cash | 34,241 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | <u>223,298</u> |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>\$ 257,539</u> |

The accompanying notes are an integral part of this statement.

VOLUNTEERS FOR YOUTH JUSTICE

Notes to Financial Statements

June 30, 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. General:

Volunteers for Youth Justice is a nonprofit organization exempt for Federal income tax purposes under Section 501 (c) (3) of the Internal Revenue Code and is exempt from federal and state income taxes.

B. Nature of Activities:

Volunteers for Youth Justice is a community volunteer based agency which provides services and resources to youth and their families who have come into contact with either area law enforcement or the courts.

Volunteers lead workshops at night and on weekends for adjudicated youth who have been referred by area courts to participate in the JUMPSTART Program. Volunteers continued to work with some graduates of the JUMPSTART Program who go on to participate as Peer Leaders.

Volunteers are also trained as Court Appointed Special Advocates (CASAs) for abused and neglected children who have been adjudicated Child in Need of Care. They are appointed to these cases by area judges until the child is placed in a safe, permanent home.

Volunteers for Youth Justice operates the Teen Court which provides diversion from the regular court process for minor first offenders in a court-like setting administered by other teens with adult supervision.

Volunteers for Youth Justice is supported by program revenue services, public and private funds including federal and state grants, private foundations, churches, and individual contributions.

C. Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting.

D. Basis of Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(Continued)

VOLUNTEERS FOR YOUTH JUSTICE

Notes to Financial Statements

June 30, 2007

E. Cash and Cash Equivalents:

For purposes of cash flows, the organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

F. Property and Equipment:

Purchased property and equipment are stated at cost. Donated property and equipment are stated at their fair market value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from five to ten years.

G. Contributions:

All contributions received are considered available for unrestricted use unless the donor specifies a restriction. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net asset are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

H. Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Grants Receivable:

Grants receivable at June 30, 2007 are as follows:

| | |
|--------------------------------------|------------------|
| Louisiana State Supreme Court (TANF) | \$ 27,637 |
| FINS | 4,175 |
| Other | <u>30,372</u> |
| Total | <u>\$ 62,604</u> |

All grants receivable at June 30, 2007, are fully collectible.

(Continued)

VOLUNTEERS FOR YOUTH JUSTICE

Notes to Financial Statements

June 30, 2007

3. Donated Material and Services:

Volunteers for Youth Justice received various in-kind contributions during the year. In-kind contributions consisted primarily of the time donated by volunteer workers and space and utilities donated by First Presbyterian Church. No amounts have been reflected in the statements for donated services in as much as no objective basis is available to measure the value of such services and the donated services do not create a nonfinancial asset; however, a substantial number of volunteers have donated significant amounts of their time in the organization's program services. No amounts have been reflected in the statements for donated space and utilities estimated to total \$5,579 because these donations do not create a nonfinancial asset.

4. Assets Restricted for Endowment:

Assets restricted for endowment at June 30, 2007 consisted of the following:

| | |
|------|------------------|
| Cash | <u>\$ 80,239</u> |
|------|------------------|

5. Property and Equipment:

Property and Equipment consists of the following:

| | |
|-------------------------------|------------------|
| Furniture and Equipment | \$ 79,236 |
| Less Accumulated Depreciation | <u>(56,989)</u> |
| Property and Equipment - Net | <u>\$ 22,247</u> |

VOLUNTEERS FOR YOUTH JUSTICE

Schedule of Grant Revenue and Expenditures - TANF Grant

For the Year Ended June 30, 2007

| | |
|--|-------------------|
| REVENUE: | \$ 290,188 |
| EXPENDITURES | |
| Salaries | 208,517 |
| Fringe | 26,865 |
| Professional Services | 6,000 |
| Operating Services | 15,997 |
| Travel | 9,664 |
| Training | 4,933 |
| Equipment | 3,002 |
| Supplies | 12,836 |
| Printing and Copying | <u>2,374</u> |
| Total expenditures | <u>290,188</u> |
| Excess (deficiency) of revenues over expenditures | <u><u>-</u></u> |



Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Directors
Volunteers for Youth Justice
Shreveport, Louisiana

I have audited the financial statements of Volunteers for Youth Justice as of and for the year ended June 30, 2007, and have issued my report thereon dated December 18, 2007. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Volunteer for Youth Justice's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, I do not express an opinion on the effectiveness of Volunteers for Youth Justice's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Volunteers for Youth Justice's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Volunteers for Youth Justice's financial statements that is more than inconsequential will not be prevented or detected by Volunteers for Youth Justice's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Volunteers for Youth Justice's internal control.

My consideration of internal control was for the limited purpose described in the second paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Volunteers for Youth Justice's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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This report is intended solely for the information and use of management and federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Maisha D. Mellican

Certified Public Accountant
December 18, 2007

VOLUNTEERS FOR YOUTH JUSTICE

Schedule of Findings

For the Year Ended June 30, 2007

There were no findings for the year ended June 30, 2007.

VOLUNTEERS FOR YOUTH JUSTICE
Corrective Action Taken on Prior Year Findings
For the Year Ended June 30, 2007

There were no findings for the year ended June 30, 2006.